

LAKES PILOTS ASSOCIATION, INC.

INCOME AVAILABLE FOR PILOTS' WAGES AND BENEFITS

Years ended December 31, 2020 and 2019

| | <u>2020</u> | <u>Percent of Revenue</u> | <u>2019</u> | <u>Percent of Revenue</u> |
|---|---------------------|-------------------------------|---------------------|-------------------------------|
| REVENUE | \$ 11,687,001 | 100.0% | \$ 10,660,836 | 100.0% |
| EXPENSES | | | | |
| Pilot support services | 265,855 | 2.3% | 263,440 | 2.5% |
| Pilot boat | 688,498 | 5.9% | 703,607 | 6.6% |
| General and administrative | 566,764 | 4.8% | 594,445 | 5.6% |
| Federal income tax | 99,000 | 0.8% | 78,000 | 0.7% |
| Other (income) expense | 12,700 | 0.2% | (6,532) | -0.1% |
| | <u>1,632,817</u> | <u>14.0%</u> | <u>1,632,960</u> | <u>15.3%</u> |
| | 10,054,184 | 86.0% | 9,027,876 | 84.7% |
| RETAINAGE | <u>221,788</u> | <u>1.9%</u> | <u>198,895</u> | <u>1.9%</u> |
| INCOME AVAILABLE FOR PILOTS WAGES AND BENEFITS | <u>\$ 9,832,396</u> | <u>84.1%</u> | <u>\$ 8,828,981</u> | <u>82.8%</u> |
| PILOTS' WAGES AND BENEFITS | | | | |
| Wages | \$ 7,719,806 | 66.1% | \$ 6,743,605 | 63.3% |
| Hospitalization | 379,506 | 3.2% | 449,926 | 4.2% |
| Disability insurance | 2,049 | 0.0% | 2,062 | 0.0% |
| Group insurance | 7,728 | 0.1% | 7,776 | 0.1% |
| Payroll taxes | 249,711 | 2.1% | 239,521 | 2.2% |
| Pension and profit sharing | 827,764 | 7.1% | 812,792 | 7.6% |
| Workers' compensation | 296,448 | 2.5% | 217,409 | 2.0% |
| Subsistence | 221,564 | 1.9% | 221,430 | 2.0% |
| Housing allowance | <u>127,820</u> | <u>1.1%</u> | <u>134,460</u> | <u>1.4%</u> |
| | <u>\$ 9,832,396</u> | <u>84.1%</u> | <u>\$ 8,828,981</u> | <u>82.8%</u> |

LAKES PILOTS ASSOCIATION, INC.

DETAIL STATEMENTS OF PILOT SUPPORT SERVICES
AND PILOT BOAT EXPENSE

Years ended December 31, 2020 and 2019

| | <u>2020</u> | <u>Percent of Revenue</u> | <u>2019</u> | <u>Percent of Revenue</u> |
|-------------------------------|-------------------|-------------------------------|-------------------|-------------------------------|
| PILOT SUPPORT SERVICES | | | | |
| Driver expense | \$ 50,026 | 0.4% | \$ 56,031 | 0.5% |
| In-district travel | 11,322 | 0.1% | 13,149 | 0.1% |
| Automobile | 55,295 | 0.5% | 51,545 | 0.5% |
| Pilot taxi boat charge | 123,900 | 1.1% | 103,553 | 1.0% |
| Training | 365 | 0.0% | 16,070 | 0.2% |
| Pilot licenses | 3,282 | 0.0% | 1,825 | 0.0% |
| License insurance | 21,665 | 0.2% | 21,267 | 0.2% |
| | <u>\$ 265,855</u> | <u>2.3%</u> | <u>\$ 263,440</u> | <u>2.5%</u> |
| PILOT BOAT EXPENSES | | | | |
| Wages | \$ 367,289 | 3.1% | \$ 336,066 | 3.2% |
| Hospitalization insurance | 123,060 | 1.1% | 147,962 | 1.4% |
| Disability insurance | 751 | 0.0% | 764 | 0.0% |
| Group insurance | 1,380 | 0.0% | 1,440 | 0.0% |
| Payroll taxes | 33,912 | 0.3% | 32,945 | 0.3% |
| Pension and profit sharing | 88,767 | 0.8% | 77,662 | 0.7% |
| Workers' compensation | 17,427 | 0.1% | 14,569 | 0.1% |
| Liability insurance | 10,774 | 0.1% | 11,823 | 0.1% |
| Repairs and maintenance | 8,828 | 0.1% | 28,835 | 0.3% |
| Depreciation | - | 0.0% | 4,448 | 0.1% |
| Telephone | 1,600 | 0.0% | 1,829 | 0.0% |
| Fuel | 34,710 | 0.3% | 45,264 | 0.4% |
| | <u>\$ 688,498</u> | <u>5.9%</u> | <u>\$ 703,607</u> | <u>6.6%</u> |



FROHM KELLEY BUTLER & RYAN, P.C.

LAKES PILOTS ASSOCIATION, INC.

DETAIL STATEMENTS OF GENERAL AND ADMINISTRATIVE EXPENSES

Years ended December 31, 2020 and 2019

| | <u>2020</u> | <u>Percent of Revenue</u> | <u>2019</u> | <u>Percent of Revenue</u> |
|---------------------------------------|-------------------|-------------------------------|-------------------|-------------------------------|
| Wages | \$ 125,624 | 1.1% | \$ 124,809 | 1.2% |
| Hospitalization insurance | 48,555 | 0.4% | 59,067 | 0.6% |
| Disability insurance | 274 | 0.0% | 306 | 0.0% |
| Group insurance | 552 | 0.0% | 576 | 0.0% |
| Payroll taxes | 12,517 | 0.1% | 13,147 | 0.1% |
| Pension and profit sharing | 25,662 | 0.2% | 21,612 | 0.2% |
| Workers' compensation | 686 | 0.0% | 3,671 | 0.0% |
| Utilities | 8,183 | 0.0% | 8,189 | 0.0% |
| Depreciation | 9,107 | 0.1% | 9,103 | 0.0% |
| Office supplies and postage | 52,068 | 0.4% | 26,538 | 0.2% |
| Travel | 17,701 | 0.2% | 20,919 | 0.2% |
| Telephone | 37,949 | 0.3% | 39,087 | 0.4% |
| Insurance | 30,893 | 0.3% | 27,712 | 0.3% |
| Legal and other professional services | 46,143 | 0.4% | 80,718 | 0.8% |
| Accounting and auditing | 35,900 | 0.3% | 33,630 | 0.3% |
| Meetings | 11,167 | 0.1% | 28,166 | 0.3% |
| Drug program | 732 | 0.0% | 552 | 0.0% |
| Repairs and maintenance | 9,227 | 0.1% | 19,267 | 0.2% |
| Association dues and pilot licenses | 38,640 | 0.3% | 38,680 | 0.4% |
| Taxes, other than income | 30,368 | 0.3% | 32,973 | 0.3% |
| Miscellaneous | 2,867 | 0.0% | 5,723 | 0.1% |
| Health insurance - retirees | 21,949 | 0.2% | - | 0.0% |
| | <u>\$ 566,764</u> | <u>4.8%</u> | <u>\$ 594,445</u> | <u>5.6%</u> |



FROHM KELLEY BUTLER & RYAN, P.C.

LAKES PILOTS ASSOCIATION, INC.

COMPUTATION OF STOCK PRICE

December 31, 2020

| | |
|----------------------------------|----------------------------|
| STOCK PRICE AT DECEMBER 31, 2018 | \$ 75,042.01 |
| 2019 RETAINAGE | 16,574.57 |
| DIVIDEND PAID | <u>(7,500.00)</u> |
| STOCK PRICE AT DECEMBER 31, 2019 | \$ 84,116.58 |
| 2020 RETAINAGE | 17,060.59 |
| DIVIDEND PAID | <u>(7,500.00)</u> |
| STOCK PRICE AT DECEMBER 31, 2020 | \$ <u><u>93,677.17</u></u> |



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LAKES PILOTS ASSOCIATION, INC.

STATEMENT OF DEFERRED COMPENSATION

December 31, 2020

| | | |
|---|----------------|----------------------------|
| Net income before deferred compensation | | \$ 7,499,610 |
| Less: 2.0% retained earnings | \$ 221,788 | |
| Pension and profit sharing on deferred compensation at 25% | 1,366,017 | |
| Workers' compensation on deferred compensation | 222,000 | |
| Payroll taxes on deferred compensation | <u>225,737</u> | <u>2,035,542</u> |
| Pilots' deferred compensation | | \$ <u><u>5,464,068</u></u> |